

Press Release
DIGHA SEA FOOD EXPORTS PRIVATE LIMITED
February 06, 2026
Rating Reaffirmed



| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|------------------|------------------|-------------------------|
| Bank Loan Ratings | 20.35 | - | ACUITE A4+ Reaffirmed |
| Total Outstanding Quantum (Rs. Cr) | 20.35 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the short term rating to "**ACUITE A4+ (read as ACUITE A four plus)**" for the Rs.20.35 Cr. bank facilities of Digha Sea Food Exports Private Limited (DSEPL).

Rational for rating

The rating reaffirmation factors the company's experienced management, and enduring relationships with key Southeast Asian and European clients, which underpin its business stability. Despite a decline in revenue in FY2025 due to low procurement from suppliers, change in procurement policy of European clients and climate hindrance in the sea, the Company maintained positive margins and stable accruals. The Company's financial risk profile remains comfortable, supported by a healthy capital structure and debt protection metrics. Albeit a small net worth the Company also has an efficient working capital cycle marked by GCA 71 days. With healthy YTD numbers and seasonal sales momentum, Acuité expects the Company's performance to improve over the medium term. The rating is constrained by highly fragmented and competitive nature of business along with seasonal risks associated with procurement.

About the Company

Incorporated in 2008, Digha Sea Food Exports Private Limited (DSEPL) is a Kolkata-based company that operates closely. It is overseen by its promoter directors, Mr. Pranab Kumar Kar and Mr. Prabhat Kumar, and specializes in processing and exporting a variety of shrimp products. Their product range encompasses Block Frozen Shrimps, IQF Raw Shrimps, Blanched IQF Shrimps, and more. Seventy Five percent of the company's revenue is generated from IQF shrimp sales, with the remaining portion stemming from block shrimp sales. These products are exclusively exported to Japan, China, Vietnam, Europe, and the Middle East. Various brand names, including 'Jinkin,' 'Digha Gold,' 'Digha Fresh,' and 'Digha,' are used by the company to market its products.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of DSEPL to arrive at this rating.

Key Rating Drivers

Strengths

Experienced management and established track record of operations

Experienced management and established track record of operations DSEPL was originally established in July 1999 as a partnership company, and it later transitioned into a private limited company in 2008. The company is actively involved in processing and exporting various seafood products, boasting a solid track record spanning over two decades. Its promoters, Mr. Pranab Kumar Kar and Mr. Prabhat Kumar, bring over two decades of invaluable industry experience to the table. Acuite believes that the extensive expertise of the promoters has helped the company in fostering strong relationships with both suppliers and customers.

Healthy financial risk profile

The financial risk profile of the company is marked by moderate net worth, low gearing and comfortable debt protection metrics. The tangible net worth of the company stood at Rs. 18.51 Cr. as on FY2025 as compared to Rs. 17.41 Cr. as on FY2024. For FY2025, the gearing of the company stood below unity at 0.17 times from 0.34 times in FY2024. The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) also increased to 0.55 times in FY2025 from 0.97 times in FY2024. The Interest Coverage Ratio (ICR) Increased to 6.25 times in FY2025 from 4.24 times in FY2024. Similarly, the Debt Service Coverage Ratio (DSCR) increased to 5.45 times in FY2025 from 3.98 times in FY2024. Going forward, Acuité believes the financial risk profile of the company will remain comfortable on account of steady net cash accruals owing to stable profitability margins with no major debt funded capex plan over the near term.

Efficient Working Capital Management

DSEPL's operations exhibit efficient working capital cycle, as indicated by its gross current asset (GCA) days of 71 days in FY2025 compared to 82 days in FY2024. Moreover, the debtor period of the company also stood at 20 days in FY2025 as compared to 49 days in the FY2024. Further, the inventory days of the company stood at 39 days in FY2025 as compared to 12 days in the FY2024. Acuité believes that the working capital operations of the firm will remain at the similar levels over the medium term.

Weaknesses

Reduced scale of operations but improved profitability margins

DSEPL's turnover declined to Rs.55.79 crore in FY2025 from Rs.66.07 crore in FY2024. The dip in revenue was primarily due to the company's inability to procure adequate raw materials during FY2025, coupled with its restricted capacity to meet customer demand following a change in the European customer's procurement strategy. The profitability of the company witnessed improvement as operating profit margin rose to 4.89 percent in FY2025 as against 0.17 percent in FY2024. This increase in margin was on account on acquiring raw material at low cost. Acuite believes that with better year to date financial as reflected from sale of Rs. 52 Cr. by December 2025, the company is expected to have improved sales over the medium term on account of availability of raw material. The movement of operating performance would continue to remain a monitorable.

Navigating Regulatory Shifts and Competitive Landscape

The shrimp processing and export industry is characterized by fragmentation, with numerous small players, and a heavy reliance on shrimp farms for raw materials, which constrains bargaining power. Furthermore, the procurement price of shrimp is subject to fluctuations based on catch and availability during specific periods, resulting in the company's exposure to price volatility. Additionally, since the entirety of the company's revenue comes from exports, its credit risk profile is sensitive to fluctuations in forex rates. Moreover, the company faces risks related to changes in regulations and demand trends in client countries, including the possibility of antidumping duties being imposed by importing nation.

Rating Sensitivities

Movement in sales and profitability margins
Sustained financial risk profile

Liquidity Position

Adequate

The company has adequate liquidity marked by low but steady net cash accruals of Rs. 2.38 Cr. in FY2025 as against nil long term debt obligations over the same period. The current ratio of the company stood comfortable at 1.10 times in FY2025. Additionally, the Company maintains an unencumbered cash and bank balance of Rs.0.10 crore and has utilized approximately 66% of its sanctioned bank limits over the last five months ending December 2025, reflecting prudent working capital management. Acuité believes that the Company's liquidity profile is expected to remain adequate over the medium term, supported by steady accruals in future, and absence of any further long-term borrowings.

Outlook: Not Applicable

Other Factors affecting Rating

none

Key Financials

| Particulars | Unit | FY 25 (Actual) | FY 24 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 55.79 | 66.07 |
| PAT | Rs. Cr. | 1.21 | 0.48 |
| PAT Margin | (%) | 2.17 | 0.73 |
| Total Debt/Tangible Net Worth | Times | 0.17 | 0.34 |
| PBDIT/Interest | Times | 6.25 | 4.24 |

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|------------------------------------|------------|-----------------|-----------------------------------|
| 11 Dec 2024 | Bank Guarantee (BLR) | Short Term | 0.35 | ACUITE A4+ (Reaffirmed) |
| | PC/PCFC | Short Term | 10.00 | ACUITE A4+ (Reaffirmed) |
| | FBN/FBP/FBD/PSFC/FBE | Short Term | 10.00 | ACUITE A4+ (Reaffirmed) |
| 15 Sep 2023 | Bank Guarantee (BLR) | Short Term | 0.35 | ACUITE A4+ (Reaffirmed) |
| | PC/PCFC | Short Term | 10.00 | ACUITE A4+ (Reaffirmed) |
| | FBN/FBP/FBD/PSFC/FBE | Short Term | 10.00 | ACUITE A4+ (Reaffirmed) |
| | Proposed Working Capital Term Loan | Long Term | 4.50 | ACUITE Not Applicable (Withdrawn) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|----------------------|----------------------|-------------------------|-------------------------|----------------------|----------------------|--------------------------|-------------------------|-------------------------|
| Canara Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 0.35 | Simple | ACUITE A4+ Reaffirmed |
| Canara Bank | Not avl. / Not appl. | FBN/FBP/FBD/PSFC/FBE | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 9.50 | Simple | ACUITE A4+ Reaffirmed |
| Canara Bank | Not avl. / Not appl. | PC/PCFC | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 10.00 | Simple | ACUITE A4+ Reaffirmed |
| Canara Bank | Not avl. / Not appl. | Stand By Line of Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 0.50 | Simple | ACUITE A4+ Reaffirmed |

Contacts

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About Acuité Ratings & Research

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